



**FOR IMMEDIATE RELEASE**

**Contact:**

Dan Klein  
Perficient, Inc.  
(314) 995-8806  
[dan.klein@perficient.com](mailto:dan.klein@perficient.com)

**PERFICIENT, INC. REPORTS THIRD QUARTER 2002 RESULTS**

Austin, Texas – October 30, 2002 – Perficient, Inc. (NASDAQ: PRFT), a leading eBusiness solutions provider to Global 3000 companies in the Central United States, today reported financial results for the quarter ended September 30, 2002.

**Financial Highlights**

For the third quarter ending September 30, 2002:

- Net revenue (net of project expenses) was up 22% to \$5,851,000 vs \$4,810,000 in the third quarter of 2001.
- Reported net loss was \$507,000 and the net loss available to common stockholders was \$559,000 or a \$0.06 loss per share compared to a net loss of \$32,380,000 or \$5.22 loss per share for the same period of 2001. The net loss per share available to common stockholders for the third quarter of 2002 includes dividend accretion of \$51,000 related to the Series A and Series B preferred stock financings. The net loss for the third quarter of 2001 includes an impairment charge of \$27 million and \$211,000 of restructuring costs.
- Gross margin as a percentage of net revenue was 44%, compared to 38% in the third quarter of 2001.
- EBITDA, excluding stock compensation, was \$170,000 compared to EBITDA, excluding stock compensation and restructuring expense, of \$(84,000) for the same period in 2001.

"Q3 was for a solid quarter for Perficient. We landed over 30 new engagements, including six new Global 3000 customers and were cash flow positive for the second consecutive quarter" said Jack McDonald, chairman and chief executive officer of Perficient. "We continue to see growing demand for our IBM Websphere™ middleware and enterprise portal solution offerings."

**Other Q3 2002 Highlights**

Among other Q3 2002 highlights, Perficient:

- Was named a charter member of the newly formed OASIS Web Services Security Technical Committee, a prestigious standards body that includes as members Microsoft, IBM, Verisign, Oracle, Cisco, BEA, SAP and Sun Microsystems;
- Was selected as a founding member of IBM's Web Services on WebSphere (WoW) Advisory Council, along with, among others, Epicentric, Grand Central, Macromedia, Siebel and Versata. WoW will develop technology, product and business strategies for deploying Web Services built on IBM's WebSphere platform;
- Named to its board of directors Max D. Hopper, one of *CIO Magazine's* 12 most influential IT executives of the 1990's;
- Signed new business agreements with 35 new and existing clients in the quarter, not counting new indirect work signed with IBM.

New clients to Perficient include Affiliated Computer Services (ACS), Amdocs, Charter Communications, Exelon Corporation, Pearson, Stratyc, US Recordings, Washington University in St. Louis, and Yahoo!. Existing clients signing new contracts include Ameren, Bic Corporation, Bristol-Myers Squibb, Communications Data Group (CDG), ChevronTexaco, Commscope, Express Scripts, Fair Isaac, Kirkwood



Community College, KV Pharmaceutical, Notiva, NRG Energy, Paragon Life, Pinnacor, Semiconductor Equipment and Materials International (SEMI), Toronto Dominion Bank, UniGroup, Union Bank of California, and U.S. Bank.

# # #

#### **About Perficient**

Perficient provides eBusiness solutions to Global 3000 companies in the Central United States. Perficient helps clients acquire and strengthen customer relationships, reduce costs and empower employees by creating an Enabled Enterprise™: a Web-based infrastructure and dynamically integrated business applications that extend enterprise technology assets to customers, employees, suppliers and partners. Perficient's more than 150 professionals serve its clients from five Solutions Centers in the Central United States and Canada. Perficient's partners are leading eBusiness technology and services providers including IBM, Sun, Microsoft, Oracle, Digex, Vignette, Gauss, Stellent, Pinnacor and Autonomy. For more information, visit Perficient's Website at <http://www.perficient.com/>.

#### **Safe Harbor Statement**

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: This news release contains forward-looking statements that are subject to risk and uncertainties, including, but not limited to, the impact of competitive services, demand for services like those provided by the company and market acceptance risks, fluctuations in operating results, cyclical market pressures on the technology industry and other risks detailed from time to time in the company's filings with Securities and Exchange Commission. Our reported results may be subject to adjustments, reserves, and other items that may be identified during the normal year-end audit process.



**Perficient, Inc.**  
**Consolidated Statements of Operations**

	<b>Three Months Ended September 30,</b>	
	<b>2001</b>	<b>2002</b>
	<i>(unaudited)</i>	
Revenue	\$ 5,483,282	\$ 6,349,989
Less project expenses	(673,444)	(499,250)
Net revenue	4,809,838	5,850,739
Cost of revenue	2,974,607	3,300,209
Gross margin	1,835,231	2,550,530
Selling, general and administrative	1,918,995	2,380,950
EBITDA (1)	(83,764)	169,580
Stock compensation	281,623	74,754
Depreciation	131,950	214,914
Intangibles amortization	4,911,019	337,500
Impairment charge	26,798,178	-
Restructuring and other	211,327	-
Loss from operations	(32,417,861)	(457,588)
Interest income (expense), net	(12,493)	(54,020)
Other	-	4,413
Loss before income taxes	(32,430,354)	(507,195)
Provision (benefit) for income taxes	(50,000)	-
Net loss	<u><u>\$(32,380,354)</u></u>	<u><u>\$ (507,195)</u></u>
Accretion of dividends on preferred stock	-	(51,419)
Net loss available to common stockholders	<u><u>\$(32,380,354)</u></u>	<u><u>\$ (558,614)</u></u>
Basic and diluted net loss per share	<u><u>\$ (5.22)</u></u>	<u><u>\$ (0.06)</u></u>
Shares used in computing basic net income (loss) per share	6,207,470	8,868,583
Shares used in computing diluted net income (loss) per share	6,758,613	14,303,381

(1) Excludes stock compensation and restructuring expense.



**Perficient, Inc.**  
**Consolidated Statements of Operations**

	<b>Nine Months Ended September 30,</b>		
	<b>2001</b>	<b>2002</b>	<b>2002 Pro Forma</b>
		<i>(unaudited)</i>	
Revenue	\$ 19,162,946	\$ 16,460,457	\$ 20,305,967
Less project expenses	(2,592,362)	(1,530,064)	(1,562,252)
Net revenue	16,570,584	14,930,393	18,743,715
Cost of revenue	9,682,358	8,377,386	10,462,613
Gross margin	6,888,226	6,553,007	8,281,102
Selling, general and administrative	6,729,387	6,139,196	7,753,976
EBITDA (1)	158,839	413,811	527,126
Stock compensation	519,876	189,557	212,860
Depreciation	392,004	483,894	703,237
Intangibles amortization	14,703,818	948,024	1,012,499
Impairment charge	26,798,178	-	-
Restructuring and other	766,477	387,621	407,093
Acquisition related expenses	-	-	108,627
Loss from operations	(43,021,514)	(1,595,285)	(1,917,190)
Interest income (expense), net	(92,725)	(114,648)	(215,998)
Other	-	(5,912)	(12,622)
Loss before income taxes	(43,114,239)	(1,715,845)	(2,145,810)
Provision (benefit) for income taxes	(42,261)	-	-
Net loss	\$ (43,071,978)	\$ (1,715,845)	\$ (2,145,810)
Beneficial conversion charge on preferred stock	-	(1,672,746)	(1,672,746)
Accretion of dividends on preferred stock	-	(112,427)	(112,427)
Net loss available to common stockholders	\$ (43,071,978)	\$ (3,501,018)	\$ (3,930,983)
Basic and diluted net loss per share	\$ (7.48)	\$ (0.45)	\$ (0.44)
Shares used in computing basic net income (loss) per share	5,758,166	7,762,493	8,846,306
Shares used in computing diluted net income (loss) per share	6,855,598	11,741,580	13,682,636

Pro forma results of operations for the nine months ended September 30, 2002 include the results of Veritecon and Javelin as if the acquisitions had occurred on January 1, 2002. This information is not necessarily indicative of the pro forma results of operations we would have obtained had we owned and operated Veritecon and Javelin as of that date.

(1) Excludes stock compensation and restructuring expense.



**Perficient, Inc.**  
**Consolidated Balance Sheets**

	December 31, 2001	September 30, 2002
<b>ASSETS</b>		<i>(unaudited)</i>
Current assets:		
Cash	\$ 1,412,238	\$ 1,554,978
Accounts receivable, net	2,594,435	3,811,352
Note and interest receivable from Vertecon	603,469	-
Other current assets	157,302	404,729
Total current assets	4,767,444	5,771,059
Net property and equipment	533,948	1,378,847
Net intangible assets	3,550,100	12,718,538
Deferred acquisition expenses	104,885	-
Other noncurrent assets	161,318	202,683
Total assets	\$ 9,117,695	\$ 20,071,127
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 243,160	\$ 184,482
Line of credit	700,000	632,051
Current portion of note payable	3,144	-
Current portion of capital lease obligation	38,373	369,602
Other current liabilities	1,288,576	2,070,477
Current portion of note payable to related party	-	480,962
Total current liabilities	2,273,253	3,737,574
Note payable, less current portion	3,667	-
Note payable to related party	-	789,153
Capital lease obligation, less current portion	4,474	394,828
Total liabilities	2,281,394	4,921,555
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	-	3,095
Common stock	6,289	10,537
Additional paid-in capital	66,140,446	76,072,289
Unearned stock compensation	(348,021)	(290,799)
Accumulated other comprehensive loss	(72,103)	(39,395)
Retained deficit	(58,890,310)	(60,606,155)
Total stockholders' equity	6,836,301	15,149,572
Total liabilities and stockholders' equity	\$ 9,117,695	\$ 20,071,127